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VOICE OF THE ELECTRIC UTILITY INDUSTRY

SMUD follows vote, closes Rancho Seco

SACRAMENTO, CA—The Sacramento Municipal Utility District abided by the voters' wishes and shut down the Rancho Seco nuclear plant. On June 6, voters chose to close the plant 53.4-46.6 percent in a non-binding referendum.

The vote was 112,415-97,945. The large 40-percent turnout for the special referendum was fueled by heavy media coverage and a well-funded effort on both sides—an estimated \$300,000 raised to close the plant and at least \$750,000 to keep it open.

Although this is the first time nuclear opponents succeeded in 15 previous votes to close nuclear plants, industry supporters say it's an isolated incident and will not create a domino effect. Although some industry opponents tout this as the beginning of the end for the U.S. nuclear industry, other plant opponents conceded that the victory was local based on plant performance.

The lifetime operating record for the 913-MW plant was 39 percent compared to 63 percent for the industry. Rancho Seco started commercial operation in 1975 and had more than \$430 million in improvements from its December 1985 emergency shutdown until its April 1988 restart.

Since then, it operated an average of

47 percent in a test-trial run up to full-power but encountered some mechanical problems. Since restart, however, the Nuclear Regulatory Commission had taken it off its list of trouble plants.

In June 1988, voters continued to allow operation by just 1 percent for a year-long trial period. About \$2 million was spent by both sides on that effort.

A pre-election offer by Babcock & Wilcox Co. and Bechtel Power Corp.—manufacturer and architectural engineer for the pressurized water reactor—apparently did not sway public opinion. The two companies agreed to handle plant maintenance, engineering, planning and system design and analysis, with incentives and penalties based on performance. SMUD had estimated any maintenance agreement would not be final until July.

Staffing

Some changes in staff were almost immediate.

SMUD's CEO Nuclear Joseph Firlit resigned two days after the election saying he did not want to be an undertaker, according to SMUD staffer Jeff Marx. In a letter Firlit added that he hoped to work where he could advance the industry. General Manager Dave Boggs accepted the resignation with regret. It wasn't clear if the position would be refilled.

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LATE NEWS

United Mine Workers on strike numbered an estimated 27,000 in eight states as of June 20, according to *The Wall Street Journal*. At least one railroad began layoffs.

Three unsecured creditors of Colorado-Ute Electric Association filed an involuntary bankruptcy petition against it. See related story, page 7.

Eastern Utilities Associates agreed to purchase a NECO Enterprises Inc. subsidiary, Newport Electric Corp. of Middletown, RI, for EUA common stock. A power purchase agreement is also part of the deal.

Wisconsin Power & Light Co. agreed to cooperate with Wisconsin Public Power Inc. System on siting a natural gas-fired combustion turbine peaking generator. WPPI plans to build the 75-100 MW project on a WP&L site to operate by 1994. WP&L would also build at the still unchosen site.

Texas A&M is 'fairly confident' on cold fusion

Mark T. Hoske
Assistant Editor

ORLANDO, FL—In what could lead to a wave of major support for the cold fusion theory, Texas A&M University announced two weeks of replication of high heat and some neutron output, at the June 5 opening session of the American Public Power Association National Conference.

A leading researcher stated he is "now fairly confident that what is taking place there is not chemical. It appears to be nuclear," said A. John Appleby, director, Center for Electrochemical Systems and Hydrogen Research, Texas A&M University.

Appleby, cautioned however, that he's unsure he could prove that statement in court. "At this point, I still feel reluctant to call it cold fusion."

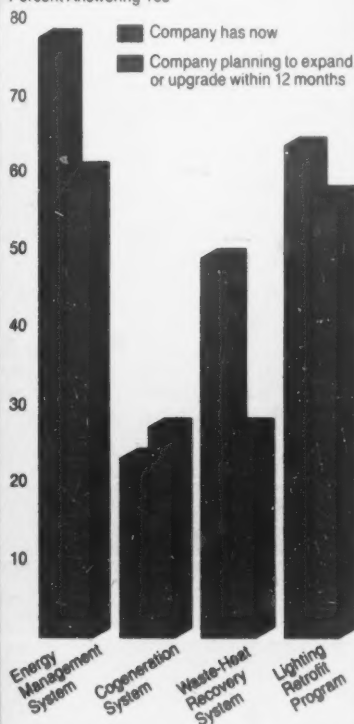
More announcements expected

After addressing the 2400 public power people, Appleby said at a press
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EMS and COGEN PLANS

The Association of Energy Engineers recently completed the most extensive survey it ever conducted on energy management. Here are the results of some of the questions put to their working members.

Percent Answering Yes



100% NRC user fees likely; industry groups oppose

WASHINGTON—Despite heavy industry opposition, it seems likely that user fees will fund 100 percent of the Nuclear Regulatory Commission budget.

The current fees—at 45 percent—amount to \$1-1.5 million a year per nuclear unit. The proposed increase, in a House committee as of late May, could bring the annual fees to as much as \$4 million per unit, according to several sources.

Could see action in June

HR-1579, introduced by Rep. Morris Udall (D-AZ), may make it out of committee and onto the floor in June. David Schooler, counsel for the Energy and Power Subcommittee of the House Energy and Commerce Committee, said the idea of raising user fees originated under the Reagan administration and is supported by President Bush.

Schooler said other federal agencies are 100-percent funded by users or are moving that way. With the budget deficit, increasing user fees has broad, bipartisan support in Congress, according to Schooler.

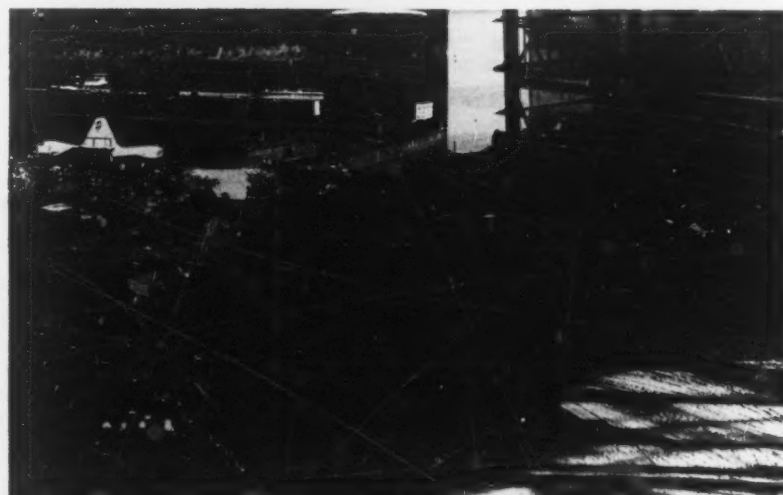
User fees increased to 45 percent in 1988 from 33 percent in 1987.

Industry opposition is clear

The Edison Electric Institute, National Association of Regulatory Utility Commissioners Executive Committee, American Public Power Association and American Nuclear En-

Continued on page 35

Barge delivers Tidd Plant vessel



The Tidd PFBC Demonstration Plant vessel head is trucked into place. The inset shows the vessel and the head as they arrive by ocean barge at the site in Brilliant, OH. The 70-MW, \$100-million project is funded by American Electric Power, Department of Energy and State of Ohio. A pressurized fluidized bed combustor reduces sulfur dioxide emission by 90 percent (like scrubbers) and provides the added benefit of cutting nitrogen oxide by half while making 10 percent more energy than a conventional plant.

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NPPC says current regulatory practices stifle conservation

According to an analysis by the Northwest Power Planning Council (NPPC), current regulatory and rate setting practices discourage utilities from pursuing conservation measures. Conservation is financially unattractive to investor-owned utilities because their profits are based on revenues, says NPPC. While conservation lowers electricity sales it also cuts revenues, lowering utilities' net profits. In addition, the costs of conservation incurred by most investor-owned utilities cannot be recovered through rates. According to the council, regulators push utilities to cut costs or sell more kilowatt-hours, but not to promote energy efficiency.

However, NPPC reports that many utility regulators are now considering conservation that offers incentives to utilities to make energy-saving investments. Some of the regulatory proposals include: separating utility earnings from the amount of power sold; extra returns and tax credits for conservation expenditures; and rewarding utilities for reducing customer bills. The council said that, while it plans to explore the different proposals, a recommendation will not be made until it determines the extent to which regulatory barriers influence utilities' conservation practices.

Ore. PUC asks utilities for least-cost plans

The Oregon Public Utilities Commission said it has ordered all investor-owned electric and natural gas utilities to submit least-cost planning strategies to meet the energy needs of their customers. According to PUC Chair Ron Eachus, the goal of least-cost planning is "to provide energy at the least cost to the utility

and its customers, consistent with public interest. It requires utilities to consider all known resources for meeting their energy needs. That means conservation and energy efficiency will be given as much emphasis as the generation of new energy and the purchase of power." The PUC order required energy planning to cover 20 years, with short-term action plans submitted every two years for public review by the commission.

Breeder reactor R&D must continue: ANS

In a recent policy statement, "Breeder Reactors Renewable Energy Resources," the American Nuclear Society recommends that the United States proceed with a breeder reactor and fuel cycle research and development program. ANS said the program should study the construction and operation of prototype systems in the 100- to 500-MW class. The studies can then be used to evaluate safety and economic potential so that the technology will be available when needed, according to ANS.

PSNH makes progress

Public Service Company of New Hampshire reported customer growth and increased sales in 1988, and said it is making progress in its bankruptcy reorganization. According to PSNH President and CEO John C. Duffett, the company added almost 12,000 customers to its system last year and increased sales by 5.7 percent. Duffett said PSNH also made improvements in service reliability, power plant availability and has organized teams of engineers to work closely with residential, commercial and industrial customers. In regard to the company's reorganization, PSNH Senior Vice President and Chief Financial Officer Charles E. Bayless stated

that negotiations are continuing between PSNH, the state of New Hampshire, and representatives of creditors and stockholders. "Resolving this bankruptcy within the next year is a best case scenario," explained Bayless. "But I believe that with reasonable concessions from all parties, a consensual plan of reorganization can be achieved within that time."

CVP, CMP will not buy non-Seabrook assets

Central Vermont Public Service Corp. and Central Maine Power Co. said they do not plan to acquire the non-Seabrook assets for Public Service Company of New Hampshire. According to Central Vermont Public Service, the utilities are discontinuing their feasibility study into combining the three companies. Results of the joint study, which began in September 1988, showed that under current conditions, combining the three companies might not be in the best interest of the utilities' customers and shareholders.

Damage prevention system hits milestone

The MISS DIG utility damage prevention system, managed by CMS Utility Services Inc., said it recently received its four millionth call. "With construction activity throughout the state continuing at a record-breaking pace for the fourth consecutive year, the milestone of four million calls came a lot sooner in the year than we had originally projected," said MISS DIG Executive Director Michael G. Digon. "This is an indication that contractors and homeowners are getting the message to let us know beforehand of their plans to dig, blast or drill," he added. MISS DIG is a cooperative effort between Consumers Power, over 600 other utilities and governmental agencies, and thou-

sands of contractors, according to CMS Energy. The system, created to prevent injuries to people and damage to utility facilities, was formed in 1970 and expanded statewide to Michigan's Upper Peninsula in 1976.

Appointments made to EPRI Advisory Council

The Electric Power Research Institute has appointed four members to its advisory council. The new council members are: Donald Hodel, who served as Bonneville Power Administrator, Secretary of Energy and Secretary of the Interior; Jo Campbell, Commissioner on the Texas Public Utility Commission; Benjamin Dyssart, Professor of Environmental Systems Engineering at Clemson University; and Robert Fri, president of the Washington, DC-based Resources of the Future Inc.

U.S., Japan celebrate 10 years of joint fusion energy research

A ceremony commemorating 10 years of joint fusion energy research between the United States and Japan was held in San Diego, CA, at the General Atomics Laboratory. Fusion research is "one area where pooling the resources of our two nations and the world is essential for enhancing progress toward a technical objective of broad societal value," stated Secretary of Energy James D. Watkins. The ceremony was part of a two-day annual meeting of the U.S.-Japan Coordinating Committee for Fusion Energy. The coordinating committee discussed a research program for 1989-90 and the future direction of the cooperation, according to the Department of Energy.

NAACP awards utilities for minority programs

The National Association for the Advancement of Colored People (NAACP) awarded Public Service Company of Colorado and Public Service Electric & Gas Co. for outstanding achievement in the economic development of minority enterprises, according to the Edison Electric Institute (EEI). The utilities were honored at the sixth annual EEI Minority Business Development Seminar in May. NAACP Director of Economic Development Fred Rasheed said the awards were given for the establishment of corporate policies which allow minority businesses greater opportunities to provide goods and services to the utilities.

ABB acquires division from Emerson Electric

Asea Brown Boveri has announced the acquisition of Emerson Electric Co.'s Indus-

trial Service Division. The division consists of 11 service plants and two coil plants, and has a customer base which includes iron/steel, coal, petrochemical and other industries. According to ABB President and CEO Klaus E. Agthe, the Emerson operation will be integrated with the ABB Service Co. headquartered in Montgomeryville, PA. "The acquisition of Emerson's Industrial Service Division greatly expands our service presence geographically and enables us to become a substantial industrial service company in addition to our established role as a power service company," stated ABB Service Co. President Christopher J. Village.

Chairman, president selected at WPSC

Linus Stoll was promoted to chairman of the board at Wisconsin Public Service Corp., succeeding Paul Ziemer who will continue as a member of the board and chief executive officer. Dan Bollum will replace Stoll as president, and will take on the additional responsibility of chief operating officer.

CIPS names president

Central Illinois Public Service Co. announced that Clifford L. Greenwalt will succeed Donald G. Raymer as president and chief executive officer when Raymer retires August 1. Greenwalt joined the company in 1963, was named vice president-corporate services in 1978, and moved to his current position of senior vice president-operations in 1980.

Management changes announced at NV Power

Charles A. Lenzie was appointed chairman and chief executive officer at Nevada Power Co., replacing Conrad L. Ryan who has retired. James C. Holcombe was named president and chief operating officer.

Utilities fined by NRC

The Nuclear Regulatory Commission recently proposed the following fines:

Arkansas Power & Light Co. A \$75,000 fine for apparent violations of NRC requirements regarding certain electrical components at the Arkansas Nuclear One power plant.

Northeast Nuclear Energy A \$50,000 fine for failure to properly test certain electrical equipment at Units 1 and 2 of the Millstone nuclear plant.

Public Service Electric and Gas Co.

A \$50,000 fine for alleged failure to properly test certain electrical equipment at Unit 1 of the Salem nuclear plant.

Toledo Edison Co.

A \$50,000 fine for violating NRC safety requirements during a reactor startup in December at the Davis-Besse nuclear power plant.

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NERC: without record heat, no shortages expected

PRINCETON, NJ—Forecast summer peak demand for NERC-U.S. is expected to decrease about 1 percent compared to last summer's peak, mainly due to last summer's unusually hot weather.

NERC-Canada, however, is expected to grow 2.9 percent in peak demand. For a related story on 10-year outlook, see page 7.

Without a repeat of extreme weather most regions expect available generating capacity to meet forecast demand. •MAAC-projected capacity margins are sufficient, but less than the region's objective. Weather, delays in Peach Bottom Two's accension schedule, or maintenance problems could require implementation of Alert and Emergency Procedures.

•The NEPOOL subregion of NPCC is in a similar situation.

•Generating capacity in Long Island will be marginally adequate to meet forecast demand.

•ECAR projects one chance in three that random outages of generating equipment will exceed the expected margins. That would require assistance from neighboring regions to avoid cuts in load.

Bulk transmission outlook

Outlook for bulk transmission is expected to be adequate in most regions.

•Interregional transfer capability from MAPP to MAIN is marginally adequate, despite an increase in transfer capability from last year.

•Continuing high levels of west-to-east transfers limits the first contingency incremental transfer capability from ECAR to the VACAR subregion of SERC to zero.

•Loop flow (parallel path flow) is a continuing problem in many regions. In WSCC, phase-shifting transformers scheduled for operation by August will significantly mitigate major loop flow through the Colorado area.

Drought conditions experienced last summer and winter have eased for SERC and WSCC. MAPP is improved, but still has a less-than-normal supply of hydroelectric energy.

In ERCOT, the 1250-MW South Texas Project No. 2 nuclear unit is scheduled to come online in June. Two cogenerators, totalling 406 MW, are expected to supply TU Electric by June. Firm and economy transfers among ERCOT members continue to load the bulk transmission system.

In NPCC, a new 345-kV transmission line and two 345/115-kV transformers are scheduled for service in June. These transmission facilities will improve the reliability of the Greater Boston and Northeast Massachusetts areas.

Quebec will add three units for 792 MW this summer and a fourth 264-MW unit this fall.

Since last summer SERC has added Tennessee Valley Authority's reactivated Sequoyah No. 1 1148-MW nuclear unit. Georgia Power Co. placed 848-MW Scherer No. 4 into operation in February. Florida will have two new combustion turbines totalling 76-MW. Alabama Power Co.'s Miller No. 3 667-MW coal-fired unit is scheduled for June.

SPP is adding a 100-MW cogenerator in June. A significant addition to the transmission is 135 miles of 345-kV line between Morgan and Flint Creek substations.

Total NERC-U.S. available margin for June was projected at 24.2 percent; July, 21.1 percent; August 21.2 percent; and September, 23.2 percent.

Total NERC-Canada available margin for June was projected at 23.1 percent; July, 26.7 percent; August 26.6 percent; and September, 27.9 percent.



ECAR, East Central Area Reliability Coordination Agreement; ERCOT, Electric Reliability Council of Texas; MAAC, Mid-Atlantic Area Council; MAIN, Mid-America Area Network; MAPP, Mid-Continent Area Power Pool; NPCC, Northeast Power Coordinating Council; SERC, Southeastern Electric Reliability Council; SPP, Southwest Power Pool; WSCC, Western Systems Coordinating Council.

PCB transformer cleanup

Suit heats up retrofill market

CHARLOTTE, NC—Competition in the PCB transformer cleaning and retrofill business has entered the courtroom. UNISON Transformer Services is seeking legal recourse against ENSR Corp. for what UNISON claims is patent infringement.

ENSR, in response, says there is no substance to the claim and that the suit is "an attempt to try the lawsuit publicly in the marketplace" and an "overt marketing ploy."

Infringement claimed

UNISON filed its action against ENSR on May 17, claiming illegal use of UNISON's patented retrofill method by ENSR's System 50 service. The company said it has asked the District Court of Ohio to grant an injunction that would require ENSR to cease all infringements of UNISON's two patents and to remove System 50 processors from customers' sites.

UNISON received a patent covering its transformer cleanup method on May 9. The patent relates to retrofill methods for replacing PCB-contaminated fluids in transformers with substantially PCB-free dielectric coolant, thereby allowing reclassification of the transformers to non-PCB status in accordance with EPA regulations.

David Reilly, UNISON president, stated that UNISON and parent Union Car-

bide developed and commercialized the retrofill technology covered by the patent. "We are exercising our rights under our patents to protect our proprietary interest in this technology."

ENSR responds

ENSR Corp. chairman and president, Robert Zoch, said "We are not using the methods claimed and do not infringe their patents." He declared that ENSR will continue to provide reclassification services using its patented process "and will deal aggressively with allegations raised by the lawsuit and with UNISON's attempt to try the lawsuit publicly in the marketplace."

William B. Maling, president of ENSR Operations, the division that provides the System 50 services specified in UNISON's action, called the litigation "an overt marketing ploy."

"As the market for PCB transformer cleaning heats up," he said, "UNISON seems to think that they can gain market favor by casting doubt on the position of every other retrofill service in the marketplace, including those offered by Westinghouse (Transform), General Electric, and Quadrex Corp. Before this challenge is resolved, all of these parties will be involved in a debate and resolution of patent issues."

UNISON is based in Charlotte, NC, and ENSR is based in Houston, TX.

EEL leaders meet, view imperatives

PORTLAND, OR—Improved national economic performance and adequate supplies of electricity are essential if the

Edison Medal is won by Puget Sound P&L

The 1988 Edison Medal, the investor-owned electric utility industry's highest honor, was presented to Puget Sound Power & Light Co. EEL Chairman James J. O'Connor congratulated the company for its "customer-first philosophy" and for its range of customer and consumer outreach programs.

Puget Power has been conducting regular consumer panels since 1980, producing 1150 recommendations on 24 different subjects. The company also developed the Gatekeeper program, an activity that uses customer-contact personnel—meter personnel, line crews, home energy auditors and others—to recognize signs that elderly customers need assistance. Puget Power's Gatekeeper program now has been adopted by 89 utilities in 42 states. The company also conducts a variety of other customer-based programs.

John W. Ellis, Chairman and CEO of Puget Power and incoming chairman of EEL, accepted the award on behalf of the Puget Power corporate family.

U.S. is to grow and prosper, executives of the nation's investor-owned electric utility companies meeting were told.

James J. O'Connor, chairman of the Edison Electric Institute and chairman and CEO of Commonwealth Edison Co., told delegates to EEL's 57th Annual Convention that the nation must "shape broad, strategic approaches to meet increasing electrical demand."

Similar messages also were given by EEL President William McCollam Jr., and in part by Robert M. Teeter, president of Coldwater Corp. and senior policy advisor to President Bush.

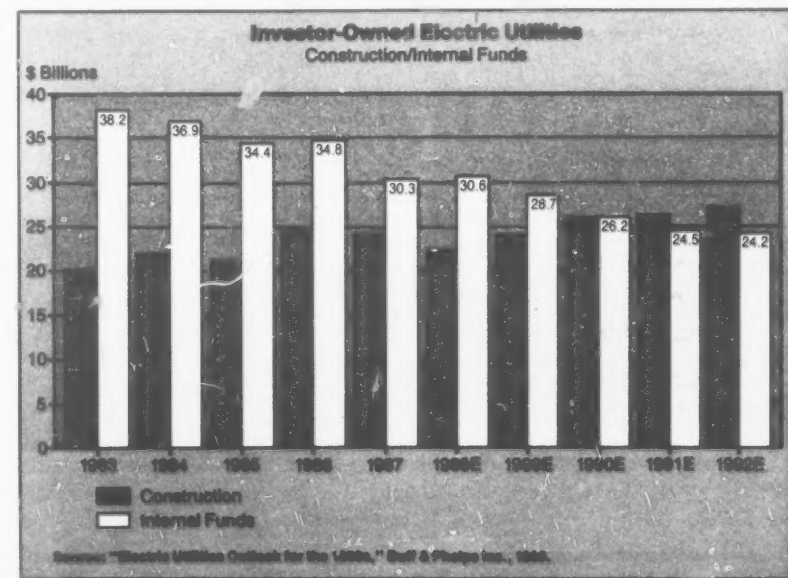
McCollam discussed how EEL is responding to the changing needs of its members. The industry, he said, is faced with growing challenges and uncertainties, which is "forcing utility companies, and EEL...to work harder and smarter."

Teeter said that the federal deficit, and international economic woes must be attacked and dealt with. Then, he declared, the nation must develop and pursue effective long-term strategies to deal with our most pressing problems, such as energy, but also including education, drugs and health care.

O'Connor issued a plea for greater regulatory flexibility to allow utilities to

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Construction slows, internal financing gains



As construction in the industry has slowed, more utilities have financed construction with internal funds rather than borrow. Much of recent outside activity has been refinancing to retire higher-interest debt.

Finally,...realistic proposals to shape clean air legislation

The long-anticipated "first shoe" has fallen. The Bush Administration has revealed its proposal to clean up the air that surrounds us and it wasn't as bad as many had feared. In fact, to us, the proposed program seems a statesmanlike attempt to focus the resources of the nation on solving our serious environmental problems.

But a proposal is just a proposal. What finally comes down from Capitol Hill could be much different....Or, again, it may not.

What Mr. Bush has revealed is a carefully studied and developed program. It is aimed at solving a worsening problem—namely lousy air quality—in many parts of the U.S. It would require reductions in sulfur dioxide (SO₂), urban ozone and carbon monoxide (CO). The proposal would impact utilities heavily, but it also would focus on other major sources of pollution as well, including automobiles.

Those portions of the program aimed at reducing SO₂ and NO_x discharges are bound to have a substantial impact on utility operations. Utilities will be called upon to reduce SO₂ emissions by 10-million tons, and NO_x discharges by 2000 tons by the year 2000. Individual systems will be called to slash the rate of SO₂ discharge to 2.5 lbs/MBtu by 1995 and to 1.2 lbs/MBtu by 2000. While plants completed after 1977 have been limited to the 1.2 lb/MBtu rate, older plants were grandfathered. The Bush proposal includes those older plants in the limitations.

Cities would have to conform to ozone and CO limits by 2000, at the latest (with exceptions).

Industrial plants would have to reduce their emission of suspected cancer-causing pollutants by 75 to 90 percent in the short-term. If achieved, the Bush program projects that three-fourths of the cancer deaths now attributed to airborne toxics can be eliminated.

For utilities, the Bush proposals would allow organizations that now are discharging pollutants to the air to work out solutions that are the most economically feasible. NO_x reductions could be traded off against SO₂ discharges. Use of clean-coal technologies would buy more time for compliance. Determination of how a criteria is to be met would be left to the discretion of plant owners or managers. Reductions also could be traded off, for example in relation to intrastate (initially) and interstate (ultimately) power exchanges.

The tab for all this, whatever it may amount to ultimately, would be picked up by customers of utilities, industries and by consumers in general. The President proposes no free lunch. Initially, \$780 million per year is projected as a national cost. After 1995, annual costs are projected to be \$3.8 billion.

The Edison Electric Institute is essentially supportive of the Bush proposals. They express reservations primarily that such a program could lead to serious and expensive mistakes if adopted before final results of the National Acid Precipitation Assessment Program become available next year.

We find the proposed Bush program to be a scholarly, ambitious, but realistic proposal to clean up our air. Certainly it represents a compromise between the demands of environmentalists for instant unlimited-cost solutions and the protests of manufacturers, industrial organizations and utilities. The Bush program voices concerns, then addresses these in such a way that solutions are sought, but the methods are left to those responsible for the clean up. It balances goals against economic realities, and in a realistic time-frame.

Our primary reservation is that the projected costs are probably at least an order of magnitude too low. It's normal for Administration proposals to overstate benefits and understate costs by about this factor. But even so, it seems to us that the ends do justify the means...and costs.

The utility industry has been waiting for some substantive Clean Air program to come down from Congress for years. The Bush proposal is the closest thing to it since the Carter years. But there still is a long way to go before the proposal can become the law of the land, and there always is potential for substantial change by Congress.

Still, we're optimistic. We believe something firm and good will come from this set of proposals.

Now we have to wait for the "other shoe" to fall.

Robert A. Lincome, Editor-in-Chief

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Can ridicule motivate?

I am writing to thank you for publishing Ted Pollock's article entitled "Ridicule as a motivator" (EL&P, May 1989). In this article, Mr. Pollock explains that by using comments such as "Are you a man or a mouse?", managers can motivate employees who become reluctant or frustrated with their work assignments.

I decided to inject a little ridicule into my management style and the results have been tremendous. For example, one of my employees has trouble speaking before a group. Right before he was supposed to give an important presentation, I asked him, "Now you're not going to go in there and show everybody what a scared little wimp you are, are you?" This seemed to do wonders, as he immediately mumbled something about a stomach disorder and went home sick. I gave the presentation myself, with great success.

Later in the same day, the department secretary was struggling with a new word processor and becoming quite discouraged. She had a large and important document to type, and it had to be completed in a matter of hours. Noticing her despair I took the opportunity to remark, "You mean that simple little machine has exhausted your tremendous intellect?" She showed me her most hostile look, and continued typing. I can't say for sure, but I think the ribbing helped her to complete the document a little faster. The fact that she does everyone else's typing before she touches mine now is a small price to pay for the satisfaction of making her "grow up".

All sarcasm aside, I must voice my objection to your printing this particular article in what is supposed to be a respectable publication. What Mr. Pollock is promoting amounts to kicking people while they are down. Everyone should be allowed to vent a little frustration without immediately being embarrassed into "acting like an adult" by some impatient and intolerant superior. The reluctant sales person in Mr. Pollock's example should be allowed his gut reaction without the belittling remark from his supervisor. When people are not allowed to overcome weaknesses by their own reflection and courage, but are instead cajoled into shaping up to the boss's expectation, they are robbed of a chance to build self-reliance and self-confidence.

When an attitude problem persists to the point where an intrusive correction is necessary, a sincere, candid discussion will be more productive than some aloof and hurtful remark.

It is no surprise that Mr. Pollock's title is "Management Consultant" rather than "Manager".
Chuck Rhodes
Senior Planning Engineer
Public Service Company of Colorado

Ed. note: Remember the management stratagem "All rules are made to be broken, including this one?" Ted Pollock's "Management Methods" item ("Ridicule as a motivator"), about using shock treatment with an underachiever-type employee, falls into the same class. He isn't recommending managers use ridicule as a standard modus operandi, but only in very unusual circumstances. Keys to the successful use of the ridicule tactic lay in the last three paragraphs. First, the technique isn't something to be employed in all cases of non-performance. But it may be justified "sometimes" as a last resort, to be used only when all else has failed. Second, the technique may backfire, at least temporarily, causing the employee to get mad at the manager, personally; left unsaid was the possibility that the employee might simply quit. Third, the technique should only be used in a one-on-one, private conversation.

Like most advice on how to manage, it is up to the individual to determine when, and if, any particular procedure or suggestion should be used. In fact, it seems to us, it's this ability to know when or when not to take some specific action that characterizes the good manager from other types.

Detection systems

This is in response to the letter in the May issue from the president of R-SCAN Corp. Mr. Morgan attempts to differentiate between his lightning detection system and that of his competitor, the State University of New York (SUNY). His claims belong in a paid advertisement and not on the editorial pages of a respected trade magazine.

We have a SUNY lightning detection system installed and operational, and find it to be extremely effective for our needs. Additionally, the personnel at SUNY have been competent and professional in all respects.

Ervin D. Root, Manager
System Planning & Operation
Iowa Electric Light & Power Co.
Cedar Rapids, IA

Ed. note: Mr. Morgan's letter was intended to correct what he believed to be gaps in the information contained in our report of SUNY and R-SCAN lightning detection systems. Although we agree that the information he provided was self-serving, we believed (and still believe) that he is entitled to a rebuttal if he believes our report to be either in error or incomplete. We extend this consideration to any and all people, organizations and institutions that we report on in EL&P. In fact, we urge any and all readers to correct any errors and/or incomplete reports. We do our best to be factual and complete; any time we're not, please call the errors to our attention.

Co-ops form Western Power Producers Inc.

MONTROSE, CO—Six western generation and transmission cooperatives formed a new organization to better coordinate their resources, share services and plan solutions to regional power supply problems and issues.

The new organization, Western Power Producers Inc., is made up of Colorado-Ute Electric Association Inc., Montrose, CO; Desert Generation & Transmission Cooperative, Sandy, UT; Golden Spread Electric Cooperative, Amarillo, TX; Plains Electric Generation & Transmission Cooperative, Albuquerque, NM; Sunflower Electric Power Corp., Hayes, KS; and Tri-State

Generation & Transmission Association, Denver, CO.

According to a spokesperson, WPPI members' objectives include coordination of electric load and resource studies, regional power pool information and activities, as well as economic studies. Another goal is the possible integration of members' generation and transmission facilities.

WPPI members also will coordinate their responses to legislative, utility industry, political and environmental issues that might affect their operations.

L. Christian Hauck, Sunflower Electric Power Corp., is president.